

AN ACT

relating to the provision of direct primary care.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 162, Occupations Code, is amended by adding Subchapter F to read as follows:

SUBCHAPTER F. DIRECT PRIMARY CARE

Sec. 162.251. DEFINITIONS. In this subchapter:

(1) "Direct fee" means a fee charged by a physician to a patient or a patient's designee for primary medical care services provided by, or to be provided by, the physician to the patient.

The term includes a fee in any form, including a:

(A) monthly retainer;

(B) membership fee;

(C) subscription fee;

(D) fee paid under a medical service agreement;

or

(E) fee for a service, visit, or episode of care.

(2) "Direct primary care" means a primary medical care service provided by a physician to a patient in return for payment in accordance with a direct fee.

(3) "Medical service agreement" means a signed written agreement under which a physician agrees to provide direct primary care services for a patient in exchange for a direct fee for a period of time that is entered into by the physician and:

1 (A) the patient;

2 (B) the patient's legal representative,
3 guardian, or employer on behalf of the patient; or

4 (C) the patient's legal representative's or
5 guardian's employer on behalf of the patient.

6 (4) "Physician" includes a professional association
7 or professional limited liability company owned entirely by an
8 individual licensed under this subtitle.

9 (5) "Primary medical care service" means a routine or
10 general health care service of the type provided at the time a
11 patient seeks preventive care or first seeks health care services
12 for a specific health concern, is a patient's main source for
13 regular health care services, and includes:

14 (A) promoting and maintaining mental and
15 physical health and wellness;

16 (B) preventing disease;

17 (C) screening, diagnosing, and treating acute or
18 chronic conditions caused by disease, injury, or illness;

19 (D) providing patient counseling and education;
20 and

21 (E) providing a broad spectrum of preventive and
22 curative health care over a period of time.

23 Sec. 162.252. APPLICABILITY OF SUBCHAPTER. This subchapter
24 does not apply to workers' compensation insurance coverage as
25 defined by Section [401.011](#), Labor Code.

26 Sec. 162.253. DIRECT PRIMARY CARE NOT INSURANCE. (a) A
27 physician providing direct primary care is not an insurer or health

1 maintenance organization, and the physician is not subject to
2 regulation by the Texas Department of Insurance for the direct
3 primary care.

4 (b) A medical service agreement is not health or accident
5 insurance or coverage under Title 8, Insurance Code, and is not
6 subject to regulation by the Texas Department of Insurance.

7 (c) A physician is not required to obtain a certificate of
8 authority under the Insurance Code to market, sell, or offer a
9 medical service agreement or provide direct primary care.

10 (d) A physician providing direct primary care does not
11 violate Section [1204.055](#), Insurance Code.

12 Sec. 162.254. BILLING INSURER OR HEALTH MAINTENANCE
13 ORGANIZATION PROHIBITED. A physician may not bill an insurer or
14 health maintenance organization for direct primary care that is
15 paid under a medical service agreement.

16 Sec. 162.255. INTERFERENCE PROHIBITED. (a) The board or
17 another state agency may not prohibit, interfere with, initiate a
18 legal or administrative proceeding against, or impose a fine or
19 penalty against:

20 (1) a physician solely because the physician provides
21 direct primary care; or

22 (2) a person solely because the person pays a direct
23 fee for direct primary care.

24 (b) A health insurer, health maintenance organization, or
25 health care provider as that term is defined by Section [105.001](#) may
26 not prohibit, interfere with, or initiate a legal proceeding
27 against:

1 (1) a physician solely because the physician provides
2 direct primary care; or

3 (2) a person solely because the person pays a direct
4 fee for direct primary care.

5 Sec. 162.256. REQUIRED DISCLOSURE. A physician providing
6 direct primary care shall provide written or electronic notice to
7 the patient that a medical service agreement for direct primary
8 care is not insurance, prior to entering into the agreement.

9 SECTION 2. This Act takes effect immediately if it receives
10 a vote of two-thirds of all the members elected to each house, as
11 provided by Section 39, Article III, Texas Constitution. If this
12 Act does not receive the vote necessary for immediate effect, this
13 Act takes effect September 1, 2015.

H.B. No. 1945

President of the Senate

Speaker of the House

I certify that H.B. No. 1945 was passed by the House on April 15, 2015, by the following vote: Yeas 135, Nays 0, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 1945 on May 18, 2015, by the following vote: Yeas 130, Nays 0, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 1945 was passed by the Senate, with amendments, on May 12, 2015, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor